

**Note to all users: First point of reference for policy clarification is always the official Conservation Program Contracting Manual (440-V-CPM Part 512) and/or EQIP Manual (440-V-CPM Part 515).**

**THE CONSERVATION PLAN.** The basis for ALL NRCS assistance, technical and financial, is the conservation plan. Refer to the National Planning Procedures Handbook for current planning policy.

- For ranking FY08 program applications, heavy emphasis is being placed on RMS planning. Effective in FY09, All EQIP applicants will have an on-site visit completed and a conservation plan will be developed in Toolkit on the acres being offered for application before the application is ranked. Required documentation will include a resource checklist (CPA-52) and list of conservation practices that the client has agreed to install if funded.
- Employees and applicants are encouraged to utilize Utah's Conservation Planning and Program Application Workbook, to streamline the planning and application process.

**RANKING APPLICATIONS.** The Application Evaluation and Ranking Tool (AERT) will once again be used to evaluate all EQIP applications in FY 2008. FY2008 Screening Tools, released in July 2007, were used to prioritize applications, and priority applications have been forwarded to FSA.

- The AERT functionality is essentially the same as in 2007. Some minor enhancements and customization tools were added to improve the appearance, performance, and consistency of the ranking tools across the state.
- All applications will be entered in ProTracts and ranked using the AERT. Ranking will be done in the county in which the producer signs up for the program and that county will manage the EQIP contract. The only exception to this policy may occur where the participant resides in an area covered by provisions related to servicing multi-state contracts as outlined in 440-512.48. Payment limitations, adjusted gross income (AGI), and producer and land eligibility **must be** verified before the application status is changed to eligible.
- The ranking tools for all EQIP fund codes have been developed and are available for use in ranking eligible, priority applications. As directed by ASTC-FO's, Area "teams," comprised of technical and programs support staff will be providing training to field staff, and as needed to ensure timely and consistent ranking of eligible FY08 EQIP applications.
- As in years past, a project may be ranked in **ONLY ONE** fund pool, as determined by the applicants resource priorities identified in their conservation plan, OR (*in the absence of a plan*), their stated resource objectives. In FY09, applications will not be ranked until an RMS plan is in place.
- All applicants will receive their application ranking report from the NRCS office responsible for the ranking.
- Ranking points are only available for practices that will address existing resource concerns (as defined in the Quality Criteria in Section III, Utah Electronic Field Office Technical Guide). Practices that a producer wishes to implement on lands that currently meet the Quality Criteria, but will result in greater environmental benefit are eligible for funding but will be ranked accordingly. Systems that improve the condition of the resource but will NOT result in meeting Quality Criteria are also eligible for funding, and will be ranked accordingly.

- Applications not funded in a previous selection round will compete for funding in the next available round. This procedure will be used until all EQIP funds have been awarded.

**PRIORITIES: NATIONAL.** There is no change in the national priorities from 2007.

- Definition of “considerable:” For the purpose of answering the national priority questions in Utah, to claim points, a project is expected to meet Quality Criteria. For National Priority #4 (Soil Erosion), soil erosion must go from above T to T or below T as a result of the proposed project OR Quality criteria for Soil Condition must be met as a result of implementing the proposed project.

**PRIORITIES: STATE** (*additional priorities may be established at a later date.*)

- Cropland (Irrigated)
  - *Water Quality: Excessive Nutrients and Organics in Surface Water*
  - *Water Quantity: Inefficient Water Use on Irrigated Land*
- Dry Cropland
  - *Soil Erosion: Sheet and Rill*
- Rangeland
  - *Water Quantity: Rangeland Hydrologic Cycle*
- Pastureland
  - *Water Quality: Excessive Nutrients and Organics in Surface Water*
- Orchard and vineyard
  - *Water Quality: Excessive Nutrients and Organics in Surface Water*
- AFO/CAFO
  - *Water Quality: Excessive Nutrients and Organics in Surface Water*
- Forestland
  - *Soil erosion: Sheet and rill*
- Wildlife Individual
  - *Fish and Wildlife: Inadequate Cover/Shelter*
- Riparian
  - *Water Quality: Excessive Nutrients and Organics in Surface Water*
- Poultry shed – Air Quality
  - *Air Quality: Ammonia (NH<sub>3</sub>)*
- Native American
  - *Resource concerns established in response to RFP*
- Salinity
  - *Water quantity: Inefficient use of water on Irrigated lands*
- Salinity Wildlife
  - *Fish and Wildlife: Habitat Fragmentation*

## RANKING/CONTRACT DOCUMENTS

- All employees shall carefully read the CPA-1202 Appendix (attached).
- NRCS shall provide one signed copy of the NRCS-CPA-1200, NRCS-CPA-1202 appendix, AERT, and NRCS-CPA-1155 to the participant when the “Approved” EQIP contract is signed by the participant.
- Every signatory to the contract that receives any payment share greater than 0% shall receive a copy of the listed documents.
- Applicants shall initial specific sections of the appendix, as directed by UT 440-08-02.
- Participant signature(s) are NOT required on the ranking sheet.

## APPLICANTS

- Only applications that have met all eligibility criteria (land and producer) should be ranked. NRCS shall not evaluate or rank an application until the applicant has met all eligibility requirements (CPM 512.24(6)).
- Field offices will send the “Pending” letter to applicants that have not obtained eligible status. Applications will be cancelled if the applicant fails to begin the process of obtaining eligibility within 30 days of notification. It is the applicant’s responsibility to obtain eligibility determinations from the Farm Service Agency.
- The participant receiving the program benefit must also be the individual or entity that directly incurred the cost of the practice installation.
- Where an applicant is importing or exporting manure, they **must** provide a contract/ agreement that shows the terms of receiving or exporting for the life of the EQIP contract. When an applicant is not the owner of the land the landowner **must** sign the contract **or** provide **written permission** to install any structural practices on their land.

## PAYMENT LIMITATIONS

- An individual or entity may not receive, directly or indirectly payments that, in the aggregate, exceed \$450,000 for all EQIP contracts entered during the term of the 2002 Farm Bill. The \$450,000 payment limitation will automatically be confirmed during the ProTracts eligibility update. Producers cannot receive a contract for more than the remaining balance of the payment limitation. The payment limitation can be reviewed in Fund Manager.

## PRODUCER ELIGIBILITY

- To be eligible to participate in EQIP, an applicant must be an agricultural producer. To be considered an agricultural producer, there must be a minimum of \$1,000 in agricultural products sold, or that normally would have been sold, in a normal year.
- Producers with only forest land must have one of the following to be considered eligible:
  - A forest management plan or forest stewardship plan.

- A prior record of timber harvest or revenue from timber sales.
- Proof of capital investment in forest practices.
- **Certification of Control.** Per 440CPM, 512.22, “....the participant will self-certify control of the land unit.....at the time of application.” By signing Block 9 of the CPA-1200, the applicant acknowledges that they have, in their possession, a deed, written lease or legal agreement for the land under the application. It is not necessary to gather this documentation on 100% of the applications received; HOWEVER, employees shall perform “due diligence,” and shall also request evidence of control when control of land is unclear.
- NRCS employees will perform “due diligence” by:
  - Ensuring that the applicant enters legal description AND tract number\* on the Conservation Program Application CPA-1200, **AND**
  - Ensuring that the applicant fills out all fields in Block 9 of the CPA-1200, Conservation Program Application, **AND**
  - Carefully reviewing CPA-1202, Block 1D with the participant and obtaining initials on all sections required by Utah policy.

*\*Where tract number is not available, participant shall delineate the acreage on an aerial photo.*

## LAND ELIGIBILITY

- Eligible land is land on which agricultural commodities or livestock are produced and includes cropland, grassland, pastureland, rangeland, private, and non-industrial forest.
- Applicants who check only the “Public Land” field on Question 8 of the CPA-1200 will not be determined ineligible for EQIP. HOWEVER, there must be clear benefits to private land owned, managed or controlled by the applicant. To be eligible, the participant must have BOTH of the following at the time of application:
  - A clear linkage to benefiting private land, as evidenced by an RMS plan operated in conjunction with the proposed public land, **and**
  - Provide documentation that demonstrates control of the private land for the length of the time of the contract on public land.
- The applicant must also provide written permission of the land management agency to install any structural practices on public lands. Contracts with participants on public lands should not be entered into if additional environmental analysis associated with NEPA requirements is being proposed by the land administering agency.

## WAIVERS TO BEGIN PRACTICES

- Starting a practice before the contract is approved by NRCS causes the applicant to be ineligible for EQIP financial assistance for that practice, unless a waiver has been granted. If the practice has not been started, applicants may request the State Conservationist grant a waiver ***in special cases and for meritorious reasons such as alleviation of imminent and significant environmental problems, prevention of endangerment to***

***life or property, or adverse weather conditions.*** The waiver does not allow us to relinquish our planning and environmental compliance responsibilities. *Keep in mind that there may be other legal requirements that must be met before the practice is implemented.* The waiver will expire at the end of the fiscal year in which it is granted. Once an applicant signs a Waiver Request, the District Conservationists shall immediately forward the Waiver Request to the Area Conservationist for review. The Area Conservationist will forward the request to the State Conservationist through the ASTC for Programs.

## TECHNICAL ASSISTANCE

- Participants may elect to use a certified Technical Service Provider for EQIP technical assistance. In order to be reimbursed the **Technical Service Provider must be in TECHREG**, and the technical assistance practice code must be in the contract prior to service being provided. Technical assistance can be paid on all 2008 EQIP funded practices.

## PAYMENT RATES

- Starting in 2008, contract items that stay on schedule, **without being rescheduled**, will automatically receive the new payment rates for the current year of the contract.
- For those items that change in content from one year to another (or are discontinued altogether in subsequent years), they are going to be indexed (so the payment rate will go up by some set percentage if needed due to general cost increases).

## PRACTICES ELIGIBLE FOR PAYMENTS

- Payment schedule rates for conservation practices are new for 2008 and were developed to promote positive conservation outcomes tailored to the environmental needs of Utah. Cost sharing by a percentage is no longer available. Practice schedule payments are payments for the installation of a specific practice. Payments are based on the statewide documented cost of installation and offered as a payment per unit of the practice installed.
- Payment schedule amounts will not exceed dollar or acre caps placed on specific practices. 2008 EQIP practices, payment rates, caps and special provisions will be released in a separate bulletin.
- Management practices eligible for payments for three consecutive years: 329. 345. 346. 344, 370, 449, 511, 590, 595, 644, 645.

## CONTRACTS

- EQIP contracts are written with a minimum term that ends one year after the implementation of the last scheduled practice. Contracts record the details of payments for implementing conservation practices and are legally binding documents. Only practices being implemented with EQIP financial assistance are listed in the contract. Practices must be implemented according to NRCS technical standards.

- The contract is legally binding document, within which the participant agrees to a schedule of implementation. Modifications to the agreed-to schedule are not a given, and granted only to participants who have shown good faith in their attempts to perform timely implementation.
- Employees shall communicate the availability of TSP's to contract participants, as "lack of NRCS assistance" is generally not a basis for modifying contracts.
- Employees shall document that contract participants have received a dated, signed and initialed (see Utah Bulletin) copy of the new appendix (dated 10/07).

#### **LIMITED RESOURCE/BEGINNING FARMER**

- Limited Resource Farmers and Beginning Farmers are eligible for higher practice payment rates. Payment rates for Limited Resource and Beginning Farmers are 15% greater than the established payment rate for other producers. Limited Resource and Beginning Farmers are held to the same payment caps as other producers.
- Limited Resource Rancher/Producer. Limited Resource Farmers have the responsibility to prove that they are eligible for that Special Group. Potential Limited Resource Farmers must meet the definition of ag producer. Limited Resource Farmers should go to this link: <http://www.lrftool.sc.egov.usda.gov/> and run the tool to see if they meet the requirements.
  - All members of an entity must meet the Limited Resource Farmer requirement.
- Beginning Farmer. Beginning Farmers have the responsibility to prove that they are eligible for that Special Group. Potential Beginning Farmers must meet the definition of ag producer and meet both of the following:
  1. Be an individual or entity that has NOT operated a farm, or who has operated a farm for not more than 10 consecutive years. (This requirement applies to all members of an entity.) **AND** will materially and substantially participate in the operation of the farm.
  2. All members of an entity must meet the Beginning Farmer requirement.